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January 29, 2007

The Honorable Joseph F. Bianco
United States District Court
Eastern District of New York at Brooklyn
225 Cadman Plaza East
Brooklyn, NY 11201

Re: Schonbek Worldwide Lighting Inc. v. The House of Chandeliers & Crystal
Civil Action No.: CV 06:5910
Our File No.: 2350.131

Dear Judge Bianco:

Attached hereto please find a *Consent Judgment and Permanent Injunction Against Defendant The House of Chandeliers & Crystal* for your review, approval and signature to resolve the above-identified Civil Action.

Please do not hesitate to contact our offices should there be any questions.

Very truly yours,

HESLIN ROTHENBERG FARLEY & MESITI P.C.

Susan E. Farley

Susan E. Farley

SEF/lmc
Attachment

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

SCHONBEK WORLDWIDE LIGHTING INC.)
Plaintiff,)
-vs-)
THE HOUSE OF CHANDELIERS & CRYSTAL) Civil Action No.: CV 06:5910
Defendant.)

CONSENT JUDGMENT AND PERMANENT INJUNCTION
AGAINST DEFENDANT THE HOUSE OF CHANDELIERS & CRYSTAL

WHEREAS, the above-captioned action was commenced by Schonbek Worldwide Lighting, Inc. (hereinafter "Plaintiff") filing a Complaint against Defendant The House of Chandeliers & Crystal ("Defendant HC&C") in this Court on October 31, 2006; and

WHEREAS, Defendant HC&C has consented to the entry of this CONSENT JUDGMENT AND PERMANENT INJUNCTION, in the form and substance as set forth herein;

NOW, THEREFORE, upon review of the relevant papers filed in this action, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

1. This Consent Judgment and Permanent Injunction is entered against Defendant HC&C, named in the Complaint.
2. The activities alleged in the Complaint, if allowed to be continued by Defendant HC&C, would result in irreparable harm to the Plaintiff.
3. Defendant HC&C, and all persons or other business entities in active concert, privity or participation with them, including officers, directors, shareholders,

agents, servants, employees, attorneys, successors and assigns, and sales representatives, shall be and hereby are permanently enjoined and restrained from:

- a.) Importing, manufacturing, advertising, promoting, offering for sale, selling, replicating and/or inducing others to import, manufacture, advertise, promote, offer for sale, sell, replicate any lighting fixture or lighting fixture component which is substantially or confusingly similar to any Schonbek lighting fixture or lighting fixture component in the future ; and
- b.) Importing, manufacturing, advertising, promoting, offering for sale, selling, replicating and/or inducing others to import, manufacture, advertise, promote, offer for sale, sell, replicate any lighting fixture or lighting fixture component that uses any technique, method or apparatus protected by any Schonbek utility patent; and
- c.) Using any Schonbek catalog or other Schonbek marketing materials, including photographs, to sell any non-Schonbek product.

4. Defendant HC&C will recall and destroy all catalogs which contain or include the infringing Schonbek photographs that were distributed by Defendant HC&C and all persons or other business entities in active concert, privity or participation with them, and destroy all pages of said catalog which display Schonbek photographs and any other documents containing the infringing Schonbek photographs in its possession.

5. HC&C acknowledges the validity and enforceability of the Schonbek utility patents, design patents and copyrights asserted in the Complaint, and agrees not to contest or

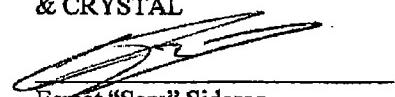
assist anyone else in contesting the same.

SO ORDERED THIS ____ DAY OF _____, 2007.

United States District Judge

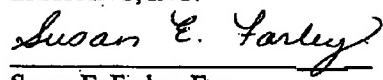
Approved by:

THE HOUSE OF CHANDELIERS
& CRYSTAL



Esmat "Sam" Sidaros
President
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SCHONBEK WORLDWIDE
LIGHTING, INC.



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